

Opening Statement of the Honorable Fred Upton
Subcommittee on Health
Subcommittee Markup of Committee Print to Amend Title XVIII of the Social
Security Act to Reform the Sustainable Growth Rate and Medicare Payment for
Physicians' Services, and For Other Purposes
July 22, 2013

(As Prepared for Delivery)

Today we will consider important bipartisan legislation to repeal the Sustainable Growth Rate (SGR) and replace it with a stable and fair payment policy that places seniors and their doctors first.

This legislation is over 15 years in the making, as the highly flawed SGR has frustrated patients, doctors, and lawmakers alike since its passage in 1997. SGR has threatened Medicare annually, sometimes monthly, with large pay cuts that has hobbled physicians' ability to run their practices and, more importantly, distracted them from their top priority of caring for patients. Similarly, the uncertainty of whether doctors can afford to keep their doors open places seniors at risk of losing access to their trusted physician.

I am proud to say that this legislation we are marking up demonstrates great progress towards correcting many of these flaws and modernizing the physician benefit structure under the Medicare program. It provides a predictable payment structure for doctors, allowing them to focus on patients rather than payment; in doing so, it gives seniors the peace of mind of knowing that their physician will be there for them when they need them. It also modernizes the payment system, by actually listening to the medical community's best practices and ensuring that the care patients receive is based on those best practices. Finally, it moves the Medicare system into alignment with the private sector, where innovative models of care that are patient-centered and coordinated have shown the ability to improve patient outcomes at lower cost.

This policy is the culmination of work performed by the subcommittee throughout the 112th and 113th Congresses. Through the many hearings and collaborative efforts with stakeholders and our Committee Democrats, we have crafted a promising bipartisan solution to the SGR. During this process, we have had unprecedented engagement with the medical community across the board.

Physicians across the country have been actively involved, and we welcome their continued contributions to this process. Last week I met with a group of Michigan doctors who were constructive in their input related to the opt-out provision included in the draft. This is an important process that has achieved a level of transparency that Americans expect and deserve, and one that can serve as a model for future legislative efforts.

I would like to thank Ways and Means Chairman Dave Camp for his partnership in the effort we commenced over two years ago. I also commend Chairman Pitts and Dr. Burgess for their leadership in drafting this policy as well as recognize my colleagues on the other side of the aisle, especially Mr. Waxman, Mr. Pallone, and Mr. Dingell, for their contributions and support of this legislation.

We have made great progress in achieving this milestone but there is still much work left in achieving fiscally responsible reform that puts the emphasis back where it belongs –

on our patients and their doctors. Today is an important step in finishing the bipartisan work that we began well over two years ago.

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